MONTANA PUBLIC SERVICE COMMISSION UTILITY DIVISION AGENDA NO. 09-02-19

Date Published: February 12, 2009

For Work Week Commencing: February 16, 2009 Commission Meeting: February 19, 2009, 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the latter part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at http://www.psc.mt.gov.

<u>Place of Meetings</u> All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

<u>Live webcast</u> Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio and video feed links on the PSC website (http://psc.mt.gov/eDocs/#Calendars). The audio feeds of meetings are also archived at the same website location.

<u>Inquiries</u> General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

<u>Accommodation for Persons with Disabilities</u> Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

<u>9:00 a.m. Weekly Scheduling</u> (Commission Conference Room – No Web Audio Feed)

<u>9:30 a.m. Business</u> (Bollinger Room)

Public Comments

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<u>Action Items</u> All items identified below are for action at the Commission business meeting.

1. NorthWestern Corporation D2009.2.12

(Eric)

On February 5, 2009, NorthWestern Corporation applied for authority to issue over a two-year period up to \$350,000,000 of secured debt securities including first mortgage bonds or secured medium-term notes. The proceeds of these issuances will be used for: (1) \$202 million to pay off outstanding debt obligations created by the purchase and on-going operation of Colstrip Unit 4, including \$100 million to pay off Colstrip Lease Holdings' current obligation to WestLB related to Colstrip Unit 4; (2) approximately \$100 million to fund the construction of the proposed Mill Creek Generating Station; and/or any remaining balance for capital investment in NorthWestern Energy's state-regulated transmission and distribution networks, for regulated public utility capital requirements, corporate development, or other general corporate purposes. Probable Motion: Approve the NWE application to issue up to \$350 million of secured debt securities over a two-year period.

2. AT&T N2009.1.11 (Scott)

On January 30, 2009, AT&T filed Tariff Transmittal 2009-02, Special Arrangements and Montana Consumer Communications Services Tariff. The purpose of this filing is to do the following: Remove Green V promotion; Add AT&T One Rate Off-Peak V Plan; Change name of AT&T One Rate 10 cent to AT&T One Rate XA; Change rates of AT&T One Rate Off-Peak II Plan, Seven Cents Plan, and AT&T One Rate XA Plan. AT&T requests an effective date of March 1, 2009. Probable Motion: Approve AT&T's Tariff Transmittal 2009-02 in Docket N2009.1.11.

3. Qwest Corporation N2009.1.8 (Gary)

On January 30, 2009, Qwest Corporation (Qwest) filed for Commission approval a Master Service Agreement (MSA) between Qwest and the McKesson Corporation (McKesson). Qwest is filing the MSA with the Commission for approval pursuant to the Commission's April 16, 2004, Notice of Commission Action (NCA) in Docket N2003.10.149. Also pursuant to the NCA, Qwest filed proprietary cost information. The MSA is the result of Qwest responding to a request from McKesson seeking pricing for their future telecommunications needs in Qwest's 14 state incumbent territory,

including Montana. The services being purchased by McKesson are available from other competitive carriers in addition to Qwest. <u>Probable Motion</u>: Move to approve the Master Service Agreement between Qwest Corporation and McKesson Corporation in Docket No. N2009.1.8.

<u>Work Sessions</u> All items identified below are for Commission discussion or action on the day designated.

- D2008.8.96, D2008.8.97 Five Valleys Gas Company Application for Approval of Monthly Propane Cost Tracker True-Up and Application to Implement Increased Rates in its Seeley Lake, Montana, Service Area – Amend procedural orders. (2/19/09)
- Placeholder D2006.1.2 PSC Initiated Review of Montana-Dakota Utilities Co.'s (MDU) Electric and Natural Gas Universal System Benefits Programs – Discuss MDU's Motion for Stay of Final Order on Stipulation. (2/19/09)
- 3. D2008.6.66 Energy West Montana Annual Universal System Benefits Report and True-Up of Rates, Charges and Related Accounts Discuss and act on the draft default order. (2/19/09)
- 4. Organization of MISO States (OMS) comments to the Federal Energy Regulatory Commission (FERC) Discuss OMS comments to FERC regarding Revenue Sufficiency Guarantee (RSG) financial settlements. (2/19/09)
- D2002.8.100 Whitehall Wind, LLC Petition for QF Rate Determination Consider the PSC response to Order for Remand, Montana Fifth Judicial District Court, WHW v. PSC and NWE, issued December 22, 2008, on review of PSC Order No. 6444c. (2/19/09)
- 6. D2008.9.119 Mountain Water Company Application for Authority to Increase Rates and Charges for Water Service to its Missoula, Montana, Customers Consider Mountain Water's request for an interim rate increase at Para. 6 B of the Stipulation, and consider any matters related to the scheduling of a hearing on the Stipulation. (2/19/09)
- Out of state staff travel Obtain approval of two travel requests: (1) Joel Tierney, pipeline safety training course (external corrosion direct assessment), Oklahoma City, March 24-26; and (2) Steve Cameron, OMS Cost Allocation and Regional Planning meeting, Carmel, IN, Feb 26-27. (2/19/09)

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8. Legislative – Discuss bills relevant to PSC mission, statutory authority, administrative process and general agency concerns; consider staff analysis and recommendations; provide direction on PSC response to bills. (2/19/09)

9. **2/17/09**, **2/18/09**, **2/20/09** – **8:30** a.m. – Legislative – Discuss bills relevant to PSC mission, statutory authority, administrative process and general agency concerns; consider staff analysis and recommendations; provide direction on PSC response to bills. (2/17/09, 2/18/09, 2/20/09) (Commission Conference Room – live web audio feed - not archived)

Other Meetings

Weekly Scheduling, Review of Monthly Calendars, and Docket Status Updates (if requested by a Commissioner).

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at http://psc.mt.gov/Consumers/comments. Comments should reference the docket number of the matter.

1. Qwest Corporation N2009.2.13 (Gary)

On February 4, 2009, Qwest Corporation (Qwest) filed for Commission approval a Multi-State Agreement (MSA) between Qwest and Affiliated Computer Services, Inc. (Affiliated). Qwest is filing the MSA with the Commission for approval pursuant to the Commission's April 16, 2004, Notice of Commission Action (NCA) in Docket N2003.10.149. The MSA is the result of Qwest's response to Affiliated which was seeking prices for their services and future service needs. The services purchased by Affiliated are available from other competitive carriers in addition to Qwest.

2. Qwest Corporation

N2007.3.27

(Gary)

On February 5, 2009, Qwest Corporation (Qwest) filed for Commission approval an amendment to the existing Multi-State Agreement (MSA) between Qwest and McDonald's Corporation (McDonald's). Qwest is filing the amendment to the MSA with the Commission for approval pursuant to the Commission's April 16, 2004, Notice of Commission Action (NCA) in Docket N2003.10.149. The amendment to the existing MSA is the result of Qwest's negotiations with McDonald's to extend the existing agreement by four (4) more years through 2012. The services purchased by McDonald's are available from other competitive carriers in addition to Qwest.

<u>Protective Orders – Notice Items</u> The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

1. NorthWestern Energy (NWE)

D2008.12.146

(AI)

On February 10, 2009, NWE filed a motion for protective order to govern access to certain confidential information requested in this docket. Specifically, NWE seeks protection for a report entitled "Power Market Assessment of Montana and the Colstrip Coal Fired Facility" prepared by ICF International for NWE on March 28, 2008. NWE asserts that the information is trade secret.

<u>Protective Orders – Information Items</u> The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199.

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Information Items All items identified below are for information only.

New Filings Received in Past Week

None